

# 9 Vehicles:

## Notes and Definitions

### **Vehicles registered for the first time and vehicles currently licensed: 9.1-9.8**

*Changes in the vehicle taxation system:* There have been three major sets of changes to the vehicle taxation system in recent years:

From 1 October 1982, all general goods vehicles less than 1,525 kgs unladen weight were assessed for vehicle excise duty at the same rate as private vehicles and the old 'private car and van' taxation class was replaced by the new 'Private and Light Goods' (PLG) taxation class. Also goods vehicles greater than 1,525 kgs unladen weight were to be taxed with reference to their gross vehicle weight and axle configuration, as opposed to unladen weight as in previous years (farmers' light goods vehicles and showmen's light goods vehicles, ie. vehicles of less than 1,525 kgs unladen weight, were allocated to their own distinct taxation classes and were not included in the PLG taxation class).

From 1 October 1990, goods vehicles less than 3,500 kgs gross vehicle weight was transferred from the 'Goods Vehicle' taxation class to the 'Private and Light Goods' class. (Farmers' and showmen's goods vehicles of less than 3,500 kgs gross vehicle weight, but more than 1,525 kgs unladen weight, were transferred to the 'Light Goods Farmers' and 'Light Goods Showmen's' taxation classes).

Important changes to the vehicle taxation system were introduced from 1 July 1995, with the intention of removing many of the complications in the existing structure. The strategy was to link VED rates for as many vehicles as possible either to the rate for the private and light goods group (PLG), or the basic minimum rate for heavy goods vehicles (HGVs).

To achieve this, three 'umbrella' taxation groups were created: an emergency vehicles group exempt from VED; a special concessionary group including agricultural machines, snow ploughs, gritting vehicles, electric vehicles and, later, steam powered vehicles; and a special vehicles group, limited to vehicles over 3,500 kgs, including mobile cranes, works trucks, digging machines, showmen's vehicles, etc. In addition, the goods vehicle taxation system was itself considerably simplified by the abolition of separate goods vehicle classes for farmers and showmen. All remaining light goods vehicle

taxation classes were also abolished and vehicles in those groups transferred to the PLG class. At the same time, the basis for calculation of excise duty for goods vehicles was amended to 'revenue weight'. Revenue weight means either 'confirmed maximum gross weight' as determined by plating and testing regulations, or 'design weight' for vehicles not subject to plating and testing (formerly known as Restricted HGVs).

The process also included further simplifications and 'tidying' arrangements. These included cases in which vehicles of less than 3,500 kgs gross weight were moved into the private and light goods taxation class rather than remaining in specialised taxation classes and groups, and the reallocation of some tax classes into more appropriate groups. The changes were completed by the introduction of a new exempt class in the November 1995 budget for vehicles previously in the private and light goods or motor cycle groups over 25 of years of age, and the reallocation of a small number of minor tax classes.

In general, the process of implementing these changes was gradual, and vehicles were allowed to remain in their current class until a new tax disk was required, whereupon they were transferred into other groups and classes as appropriate. Since tax disks may run for up to a year, some vehicles remained legitimately taxed in abolished groups at end 1995.

*Current taxation system:* Following the reforms introduced in 1995, the vehicle taxation system consists of the following main groups.

*Exempt vehicles:* The exempt vehicles includes a number of distinct sub-groups and classes, of which the most important are:-

- Emergency vehicles.
- Crown vehicles.
- Disabled driver and disabled passenger carrying vehicles.
- Vehicles previously in PLG, motor cycle or tricycle tax groups manufactured before 1993.

The emergency vehicles group was created from 1 July 1995. These vehicles are required to obtain and display an annual tax disk but pay a nil rate of duty. Similarly, vehicles exempt because of age are still required to obtain and display an annual tax disk but pay a nil rate of duty.

Vehicles owned by Government Departments and operated under Certificates of Crown ownership (apart from those belonging to the Armed Forces) are registered but exempt from vehicle excise duty. The exempt vehicle statistics exclude cars and motor cycles used temporarily in Great Britain before being privately exported under the personal export and direct export schemes by non-United Kingdom citizens. Electric vehicles, which were previously an exempt class, fall into the special concession group from 1st July 1995.

*General haulage:* General haulage vehicles may not be used for carrying loads or transporting goods except on the trailer which it is towing, where, unlike articulated heavy goods vehicles, the trailer does not form an integral part of vehicles. Many vehicles taxed for general haulage are agricultural tractors.

*Goods vehicles:* Goods vehicles over 3,500 kgs gross vehicle weight. Now limited to two main groups, class 01 for heavy goods vehicles, and class 02 for goods vehicles paying additional trailer duty. Goods vehicles on certain off-shore islands may qualify to tax in class 16-small island goods. Reductions are available for goods vehicles meeting certain emission standards and generally the VED rates are based on the maximum gross vehicle weight and the number of axles used by the vehicles. Rates are lower for vehicles that have a lower average weight per axle, since these will cause less damage to the roads. The VED system for HGV's has been simplified to reduce the number of different rates in operation.

*Motorcycles, scooters and mopeds:* No distinction between these different types of machine is made for taxation purposes. The vehicle excise duty payable depends upon the engine capacity of the bike. The numbers licensed are influenced by seasonal factors and peaks in the summer months.

*Private and light goods:* Includes all vehicles used privately. The bulk of this group consists of private cars (whether owned by individuals or companies) and vans and light goods vehicles. The group also contains a number of important minority groups including private buses and coaches, private heavy goods vehicles, and some vehicles not exceeding 3,500 kgs which before 1st July 1995 were taxed in specialised taxation classes. A substantial number of motorcars are now taxed in the exempt disabled driver class. Taxation for private and light goods vehicles has changed in recent years. From June 1999, a reduced rate has been available for vehicles with smaller engine sizes. For existing vehicles, a reduced rate is currently in

operation for those vehicles with an engine size of 1549cc or less. For new vehicles, from March 2001, taxation rates will be based upon the CO<sub>2</sub> emissions from the vehicle with seven graduated bands, dependent upon the vehicle's fuel type.

*Public transport vehicles:* All vehicles classified for taxation purposes as class 34 - Bus (introduced 1 July 1995). These are vehicles used for public conveyance, with more than 8 seats. Prior to 1st July 1995 public transport vehicles were taxed in class 35 Hackney, used, similarly for public transportation but with no lower limit on seating capacity. Tables in part 9 concerned with public transport vehicles show time series for class 35 (Hackney vehicles) up to the end of 1994 and class 34 (Bus) thereafter, with retrospective estimates for class 34 wherever possible. Buses and coaches not licensed for public conveyance, and operated and used privately, are excluded and are classified for excise licensing with private and light goods. Taxis and private hire cars are now included in the private and light goods group and are not separately identified within the VED taxation system. Regulation and control of taxis and private hire cars is through local authorities who issue appropriate hackney and hire car plates. As with goods vehicles, reduced rates are available for reduced pollution public transport vehicles.

*Special concessionary group:* This class includes agricultural vehicles which are now exempt from duty. Also included are electric vehicles, gritting vehicles and snow ploughs, and steam powered vehicles. However, works trucks, mobile cranes and digging machines previously in the 'agricultural and special machines' group are no longer included and are in the special vehicles group.

*Special vehicles group:* This group consists of vehicles over 3,500 kgs, which do not pay VED as heavy goods vehicles nor qualify for taxation in the special concessionary group. Vehicles in this group pay VED at the basic minimum rate for HGVs. Types include road rollers, works trucks, digging machines, mobile cranes and showman's vehicles.

*Other vehicles:* This group includes three-wheeled cars and vans not exceeding 450 kgs unladen weight, recovery vehicles and general haulage vehicles, as described above. Motorised tricycles are included but motor cycle combinations are included with motor cycles.

*Trade licences:* These are issued to manufacturers and repairers of, and dealers in, motor vehicles but as they do not relate to particular vehicles they are not included in any of

the tables relating to current licences or new registrations.

*Vehicles owned by the Armed Forces:* Vehicles officially belonging to the Armed Forces, except for a small number which for particular reasons, are licensed in the ordinary way, operate under a special registration and licensing system operated by them. Such vehicles are excluded from vehicle registration figures.

### **New registrations: 9.2**

*Census method:* The statistics in this section are based on a complete analysis of new registrations and not on a sample count. Monthly analyses are compiled from the records of the Driver and Vehicle Licensing Agency (DVLA).

In addition to the information already provided for Table 9.2, there are other historical licensing changes that affect the data.

In the past these were obtained from monthly returns of licensing authorities' records of new registrations. On 1 October 1974, the Driver and Vehicle Licensing Centre (DVLC) at Swansea took over responsibility for the licensing of vehicles from Local Taxation Offices (LTO). Initially, DVLC dealt only with new registrations, but from 1 April 1975 they began to take on the registration of older vehicles from the Local Vehicle Licensing Offices, which replaced the LTOs. On 1 April 1990, DVLC became the Driver and Vehicle Licensing Agency (DVLA). From July 1995 new tax arrangements applied to many minor taxation groups.

### **Vehicles currently licensed: 9.1, 9.3-9.8**

*Census Method:* The census methods employed to estimate vehicles currently licensed fall into three distinct periods. Prior to 1978, information on vehicle stock had been obtained mainly from a sample of vehicles, and, for purely administrative reasons, counts of licensed vehicles at Local Taxation Offices included any vehicle licensed for at least one month during the third quarter of the year.

Estimates of vehicles currently licensed were based on the record of licensed vehicles at DVLA. The first such census was taken on 31 December 1978, and subsequent counts were also taken on the last day of the year. Censuses derived from DVLA records were based on a single point (one day) in time, and were a complete count of all vehicles determined to be licensed on that specific day.

The 1995 changes did not produce any major change in total number of vehicles taxed within the PLG group, and the PLG series has not been subject to any retrospective adjustment or

recalculation. Retrospective series have been estimated for the new 'bus' taxation class and are included in the tables.

*Regional analysis:* The only regional information easily obtainable from vehicle records held on computer by DVLA is the post code of the registered keeper of the vehicle (which may be a company car or a private individual). This can be used to determine the county in which the keeper lives. The regional analysis of body type cars in Table 9.5 has been compiled in this way. In this table, the figures for Great Britain include vehicles whose county is unknown. The number of cars licensed per 1,000 population is based on 2005 mid-year population estimates. This table is based upon cars in all taxation classes, whereas figures in Table 9.3 are different since they are for cars in the PLG tax class only. For an analysis by county and for more detailed information on vehicle stock and new registrations see *Vehicle Licensing Statistics 2006*, available from DfT, as a free statistical bulletin, or from the DfT website at: [www.dft.gov.uk/transtat](http://www.dft.gov.uk/transtat)

In addition to the information provided for Tables 9.1, 9.3-9.8, the following is also relevant. Up to 1974, the figures for motor vehicles currently licensed were compiled from information received by the Department for Transport from all registration/licensing authorities or Local Taxation Offices (County, County Borough and Borough Councils) in Great Britain, which administered the Vehicles (Excise) Act 1971. Since October 1974, all new vehicles have been registered at the Driver and Vehicle Licensing Agency (DVLA), and records for older vehicles have also been transferred there, the process being completed in March 1978. For 1975 and 1976, the census was based on a combination of records held at Local Taxation Offices and at DVLA. Because of the closure of Local Taxation Offices, it was not possible to produce census results in 1977. The first census based entirely on the record of licensed vehicles at DVLA was taken on 31 December 1978.

Figures for the period 1950-1976 are at 30th September; the 1977 census results are estimates; those for 1978-1993 are at 31st December. For years up to 1992, estimates are taken from the annual vehicle census analyses, based on the Driver and Vehicle Licensing Agency main vehicle file. From 1992, estimates of licensed stock are taken from DfT's Vehicle Information Database. From July 1995 new tax arrangements applied to many minor taxation groups.

### **Goods vehicles: 9.6-9.8**

Vehicles included fall mainly into the goods vehicles taxation classes which include HGV, trailer HGV, and restricted HGV, for general goods, showman's goods and farmer's goods. Also included are vehicles in the Small Island goods, crown, electric vehicles and exempt taxation classes, which exceed 3.5 tonnes gross weight and have goods vehicle body type. Legislative changes have had an effect on the distribution of lorry weights. From the beginning of 1999, vehicles with 5 or more axles have been permitted to operate at a gross weight of 40 tonnes and since the start of 2001, 6 axle vehicles are allowed to run at 44 tonnes.

### **Trailer tests: 9.9**

Although there is no registration system for trailers which carry goods, there is still a requirement to have them tested each year under the DfT's plating and testing scheme. These tests carried out by the Vehicle and Operator Services Agency provide the best current estimate of the number of trailers in use and includes a breakdown according to number of axles.

### **Vehicle testing scheme (MOT): 9.10-9.13**

The following information gives some background on the testing process:

- 1 January 1977: stop lamps, indicators, windscreen wipers & washers, horn and the condition of the wheels, seat belts, exhaust systems, bodywork and suspension became testable;
- 1 January 1980: introduction of new testing station approval standards;
- 1 November 1991: introduction of exhaust emissions testing;
- 1 January 1992: minimum tyre tread depth raised from 1mm to 1.6mm;
- 1 January 1993: inspections of field of vision/condition of glass, mirrors, fuel tanks and pipes, bodywork and body security, seat security, security of doors and other openings, registration plates, vehicle identification numbers, rear registration plate lamps, rear fog lamps, hazard warning signal devices, and diesel (smoke emission) were added to the test. The diesel smoke emission test was withdrawn in February 1993, but reintroduced in February 1994;
- 1 September 1995: the emissions limit for petrol and diesel engine vehicles in classes IV, V and VII were lowered.
- 1 January 1996: new limits for certain catalyst equipped petrol engine class IV vehicles, registered on or after 1 August 1992

were introduced. The tests were extended to include large petrol fuelled cars and petrol fuelled light goods vehicles from 1 August 1997.

- 1 August 1998 changes were made to the seat belt installation checks.

In 1999/00, there were 18,899 authorised examiners for the private MOT scheme. In addition there were 92 other MOT test stations operated by Post Offices, designated local authorities, the Crown or police authorities.

From 1 July 1970 to date a 2 per cent sample of all tests has been the basis on which vehicle testing statistics have been compiled. Computerisation of the MOT system has begun and will, once data are available, ensure a greater level of detail and accuracy. The 2 per cent sample gives:

- an estimate of the total number of vehicles presented for testing each year, with the actual total lying within 2.5 per cent of the estimate;
- a percentage breakdown of the total into 4 separate classes, normally within 0.1 per cent of the true percentage figure;
- for each class of vehicle an estimated failure rate within 0.2 per cent of the true figure for light goods vehicle, cars and other passenger vehicles and within 0.8 per cent for motor cycles;

*Prohibition notice (PG9):* Is a ban on the use of a vehicle on the public road. A Prohibition will normally be issued where a vehicle is found by an examiner to be, or likely to become, unfit for use or where driving the vehicle would involve a risk of injury to any person. For further details on Prohibition Notices, see publication *Categorisation of Defects on Road Vehicles*, available from the Vehicle and Operator Services Agency Publications Unit (☎01792 454267).

### **Road passenger service vehicle testing scheme: 9.11**

EEC Directive 77/143 stipulated that all class VI (Public Service Vehicles) in use for more than one year must by 1 January 1983 have undergone a road-worthiness examination and be subject to an annual inspection thereafter. To meet this deadline, statutory testing of class VI vehicles commenced on 1 January 1982.

### **Goods vehicles over 3.5 tonnes testing scheme: 9.12**

Table 9.12 shows from 1993 and up to including 2003 the number of tests carried out on heavy goods vehicles under the DfT's plating and testing scheme. Vehicles subject to plating and testing have to undergo a test when they are 1

year old and are tested annually thereafter; the term 'first test' refers to the first test of a vehicle in a particular year. The figures quoted cover the 52 week period ending on the Friday which precedes the first Monday in April.

For the purposes of this section, the vehicles are goods vehicles with a gross weight (gross train weight for articulated vehicles) exceeding 3,500 kgs. Further information on all vehicle testing schemes may be purchased from:

Vehicle and Operator Services  
Agency, Welcombe House  
91-92 The Strand, Swansea, SA1 2DH  
(☎ 01792 454233).

#### **Households with regular use of cars: 9.14**

Data from 1961 onwards are derived from household surveys. Figures for earlier years are estimates. Also, see notes to Table 9.15.

#### **Private motoring: 9.15 and 9.16**

The mid-year estimates of the percentage of households with regular use of a car or van in Tables 9.15 (a) and (b) are based on combined data from the National Travel Survey (NTS), the Expenditure and Food Survey (previously the Family Expenditure Survey) and the General Household Survey, where available. Comparisons with Census data are also shown. Table 9.15 (c) by area type is based on data from the NTS only. The percentage of driving licence holders in Table 9.16 is based on data from the NTS, and the estimated number of licence holders based on the mid-year resident population estimates from ONS.

#### **Annual mileage of 4-wheeled cars: 9.17**

These figures are based upon annual estimates for each purpose (commuting, business and other private) per vehicle as reported by participants in the National Travel Survey (NTS). The data are for 4-wheeled cars only. Company cars provided by an employer for the use of a particular employee (or director) are included, but cars borrowed temporarily from a company pool are not.

#### **Private motoring: 9.18**

Driving tests data are supplied by the Driving Standards Agency: contact:  
(☎0115 901 2500).